



Institute of Policy Analysis  
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# **Agricultural Policy and Institutional framework for Transformation of Agriculture, Economic Development and Poverty Reduction in Rwanda**

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**Preface:**

The Rwanda Public policy Observatory is designed to provide easily accessible guides to the laws and policies of Rwanda. This Agricultural policy observatory provides a brief and simple guide to the laws and policies in the agricultural sector. The guide is an invaluable source for easy search of information regarding the agricultural and related policies, laws and institutions. The intention is to produce a complete set of guides over the next two years.

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### **Acronyms and Abbreviations:**

BTC:	Belgium Technical Cooperation
CIDA:	Canadian International Development Agency
COMESA:	Common Markets for Eastern and Southern Africa
COSOP:	Country Strategic Opportunities Program
DFID:	Department of International Development
DIP:	Decentralization Improvement Program
EAC:	East African Community
EDPRS:	Economic Development and Poverty Reduction strategy
EICV II:	The Second Integrated Household Living Survey Report
EICV 111:	The Third Integrated Household Living Survey Report
EU:	European Union
FAO:	Food Agricultural Organization
GDP:	Gross Domestic Product
IFAD:	International Forum for Agriculture Development
IFPRI:	International Food Policy Research Institute
JICA:	Japan International Co-operation Agency
PDRCIU:	Umutara Community Resource and Infrastructure Development Project
PSTA-II:	Plan for Strategic Transformation of Agriculture Phase two
P4P:	Purchase for Progress
PRS:	Poverty Reduction Strategy
M&E:	Monitoring and Evaluation
MINAGRI:	Ministry of Agriculture and Animal Resources
MINECOFIN:	Ministry of Finance and Economic Planning
MINIJUST:	Ministry of Justice
MINILOC:	Ministry of Local Government
MINITERE:	Ministry of Lands, Water, Environment and Mines
NAEB:	National Agriculture Export Board
NAP:	National Agriculture Policy
NAES:	National Agricultural Extension Strategy

NDP:	National Decentralization Policy
NEPAD:	New Partnership for African Development
NGO:	Non-governmental Organization
NLP:	National Land Policy
NRP:	National Rice Policy
RAB:	Rwanda Agricultural Board
UNDP:	United Nations Development Program
USD:	United States Dollar
WFP:	World Food Program

## 1. Introduction

This document provides a brief guide to the institutional, and policy framework for transformation of agriculture, economic development and poverty reduction in Rwanda. Internationally, Rwanda's agricultural policies are embedded in a frame work of conventions and protocols such as the *Millennium Development Goals* (Global development aspirations by 2015), the *New Partnership for African Development (NEPAD)*, *Common Markets for Eastern and Southern Africa (COMESA)*, the *East African Community (EAC)*, *Vision 202* (the country's long term development framework), the *Economic Development and Poverty Reduction strategy 2007-2012* and finally the *Plan for Strategic Transformation of Agriculture* - (the mid-term implementation plan for the *Vision 2020*). Strategic interventions to achieve EDPRS objective **“increase economic growth” indicates Rwanda's recognition of** the agriculture sector's leading role in economic development and poverty reduction. The sector is directly regulated by the National Agriculture Policy

Pertinent with the current National Agricultural policy frame work is a focus on strategies to enhance transformation from subsistence to commercial Agriculture (the PSTA-II). Under the PSTA-II, the Government recognizes low agricultural production and productivity as key impediments to commercialization. Given the rapidly increasing population and limited agricultural land, strategies to increase land productivity (production intensification) and create more agricultural productive land are considered in the subsequent agricultural policies. Rice is recognized as a key food and commercial crop and hence the National Rice Policy which looks forward to enhance self-sufficiency of rice markets in Rwanda. Agricultural program interventions are well aligned to contribute to agricultural transformation (the national agricultural development agenda). Some of these programs include the Girinka program - One Cow per poor Family - by the Rwandan Government, the Umutara Community Resource and Infrastructure Development Project-by IFAD, the Purchase for Progress- by WFP and the Millennium Village Project.

Alongside the agricultural policies and programs, the National Decentralization Policy and the Decentralization Improvement Program exist (MINILOC, 2004). These aim to empower the people socially, economically and technically and improve its local governance - looking forward to empower the community to fight poverty in Rwanda. They play a complementary role to the effective implementation of agricultural policies and programs serving the farming community. All agricultural programs and policies have been institutionalized under the MINAGRI, the Ministry with the responsibility for the agriculture sector. MINAGRI mainly collaborates with government ministries (MINECOFIN, MINILOC, MINIJUST), national boards (RAB, NAEB), Local NGOs (Caritas, IPAR among others) and International Donor Agencies (FAO, World Bank, BTC, DFID, CIDA, UNDP among others). Also more complementary to the NAPs is the *National Land Policy* (2004), the *2010 Trade Policy Framework*, the gender equality provisions in the *2005, Organic Law*, the *2003 Constitution*, the *1999 Family Code* and the provisions of current land tenure system that aim to enhance land tenure security for achievement of Rwanda's EDPRS and PSTA aspirations. However, the extent

to which the tenure reforms can benefit women who form the largest proportion of the farming population is doubtful.

Summatively, the government of Rwanda implemented the Poverty Reduction Strategy (PRS) in the period 2000-2005, to manage the transition period of rehabilitation and reconstruction following the aftermath of the war and genocide. The strategy registered progress but with an insignificant contribution to poverty reduction and limited progress in the agricultural production sector. In the period 2008-2012 EDPRS, a strategy that focused on economic development and poverty reduction was implemented. The EDPRS's evaluation for progress in the period 2008-2011 indicated remarkable success with regard to raising agricultural productivity, ensuring food security, enhancing economic growth and reducing poverty in Rwanda.

## **2 Rwanda's Agricultural Policy Framework**

In the first section of this chapter, we give a brief overview of Rwanda in terms of agriculture employment, land and agricultural production challenges which creates a case to justify the National Agricultural framework and policies. Rwanda's agricultural policies are embedded in a frame work of conventions and protocols at international and regional levels, *Vision 2020*, EDPRS, the *Plan for Transformation of Agriculture (PSTA)*, institutional arrangements within Government Ministries and policies that hold to it a complementary role. The second section of this chapter presents a brief highlight of this framework. We identify the international treaties and protocols at international and regional level which Rwanda has ratified. At the national level, we present the general framework under which the current agricultural policies, agricultural and related sector strategies, and agricultural development plans, at district down to the lowest community levels and agricultural programs, are aligned. We present a brief highlight of Rwanda's overall development agenda *Vision 2020*, *EDPRS*, the *MINAGRI Plan for Strategic Transformation of Agriculture (PSTA)* and the *2010 Development Driven Trade Policy Framework*. We give a brief description with focus on the underlying objectives, components and strategic interventions set out in each. We try as much as possible to identify the complimentary relationship embedded within this framework.

### **2.1 Rwanda's Agriculture: A case for the current Agricultural Policy Framework and Policies**

Rwanda is a small country in central east Africa. It is one of the most densely populated countries in Africa. Rwanda's agriculture sector continues to be the leading employer. Due to the country's high population density, land remains scarce while labour is Rwanda's most abundant resource. Consequently, farm production is characterized by lower-than-average farm sizes (inadequate to support a household) coupled with deteriorating soil fertility, which poses severe challenges to increasing crop production. This situation is compounded by the limited use of fertilizers, both organic and inorganic. Similarly, the use of improved plant seeds remains low in Rwanda, with only 12 per cent of households reporting use of improved seeds in 2005. Use of other farm inputs follows the same pattern as fertilizer and seed. Furthermore, much of Rwanda's land is at high risk of erosion, not least because of the need of smallholders to cultivate slopes, and to bring land under cultivation that is not suited to this purpose. By 2005/2006, land shortages, soil erosion and declining soil fertility had remained serious constraints to agricultural production (EICV2).

The increasing land shortage triggered the increase in the number of rural households dependant on wage labour, which was increasingly difficult to find. Consequently, poverty remained more extreme in rural than urban areas. In fact, though poverty had decreased between the period 2000/01 and 2005/06, this resulted mainly from the improvement in living standards of the urban rather than the rural areas. This significant poverty reduction in urban areas can perhaps be



attributed to the high concentration of the non-agricultural sector. Public policy and programs in Rwanda contain the commitment of addressing the challenge of rural poverty, with a bias on intervention to increase agricultural productivity and enhance growth in the agricultural sector.

Traditional food crops continued to be dominant, although farmers began to shift slightly towards higher value food crops, such as fruit and vegetables, rice, sorghum, maize, groundnuts and soybeans. Despite the potential contribution of livestock to income, livestock numbers remained relatively low. Coffee and tea remain the key traditional cash crops, with a transition to horticultural cash crops domestically, while rice remains the major food security crop (EICV 2). Coffee and tea had growing international markets, but for the other export products the main markets were regional, with 68 per cent of exports destined for Kenya and Uganda. Expansion of agricultural exports was deemed critical to achieving the EDPRS goal of sustained 7 per cent growth in agricultural GDP. This scenario suggests insights into policy and program interventions to enhance agricultural exports

## **1.2 International and Regional Framework**

Rwanda has ratified a number of international treaties and protocols. Rwanda is a member of the New Partnership for African Development (NEPAD), Common Markets for Eastern and Southern Africa (COMESA) and East African Community (EAC). NEPAD makes agriculture one of its main priorities “as the engine of NEPAD inspired growth”. It stresses three aspects: improving the livelihoods of people in rural areas; achieving food security; and increasing exports of agricultural products. NEPAD emphasizes that agricultural development should be driven by technologies. It recommends strategy and policy reforms in promoting modernization and diversification of agricultural production and exports. Rwanda has been a member of the Convention for Development of African Agriculture (CAADP) since 2007. The CAADP framework commits Rwanda to improve its agricultural policies for sustainable agricultural growth and poverty reduction. The COMESA treaty enhances regional integration among member states to attain economic prosperity. The EAC commits member states to create a single East African market which entails easing travel restrictions, harmonising tariffs, increasing co-operation. COMESA and EAC could be perceived as an incentive for member states to enhance access to regional agricultural product markets. Under this framework, Rwanda prepares and implements its programs biased to development of its agricultural sector. The framework further guides the country’s prioritization of its development interventions as well as setting up “institutions and institutional arrangements” at all levels.

## **2.3 General Framework**

### **2.3.1 Rwanda’s Vision 2020 (2002-2020)**

The government of Rwanda pursues *Vision 2020*, a key intervention to achieve MDGs and other economic goals. Under Vision 2020, the government of Rwanda intends to become middle income economy (with a per capita income of 900 USD), decrease the poverty to 30%, and

increase the average life expectancy to 55 years by the year 2020 (MINECOFIN, 2003). Achieving these goals hinges on one of the pillars of Vision 2020 “Transformation of agriculture into a productive, high value, market oriented sector, with forward linkages to other sectors”. The rest of the pillars play a complementary role in the agricultural transformation. Other pillars bear an indirect positive synergy to agricultural development. The pillar that focuses on comprehensive human development encompassing health, education and information communication technology is a substantial indirect input into agricultural production. The other pillar, focusing on infrastructure development, focuses on improved transport links, energy and water supplies is also an incentive to improve agricultural production and commercialization. Promotion of regional economic integration and cooperation can be an incentive to enhance access to regional markets and enhance partnerships with donor agencies with regard to agricultural financing.

### 2.3.2 The EDPRS (2008-2012)

The Economic Development and Poverty Reduction Strategy (EDPRS) is the implementation strategy for *Vision 2020*. The EDPRS is Rwanda’s medium-term framework for achieving its long-term development aspirations including the Millennium Development Goals. EDPRS seeks to reduce **poverty and income inequality, increase GDP and improve human development**. **Much more relevant to agriculture is the EDPRS’ objective “increase economic growth” under which strategic interventions to “increase contribution of strategic exports to GDP, enhance business climate and increase agricultural productivity” are aligned.** Setting its framework for the medium term (2008-2012), the EDPRS includes raising agricultural productivity and improve food security among its priorities. EDPRS seeks to **promote human development, population growth and development, gains through good governance** among other objectives (MINECOFIN, 2007). Strategic interventions set out under these objectives bear potential to provide a positive synergy to agricultural growth and transformation. **For example,** the pursued macroeconomic stability and debt sustainability strategic intervention creates a supportive environment for agricultural growth and transformation. To the best of our knowledge, EDPRS does not set out the extent or magnitude it intends to **increase contribution of strategic exports**. This could present challenges in evaluating its progress.

### 2.3.3 The PSTA II (2009-2012)

The Strategic Plan for the Transformation of Agriculture phase two (PSTA-II) is Rwanda’s agriculture and food security strategy for the period 2009-2012 implemented under the MINAGRI. The strategy articulates the approach and activities required for achieving the targeted growth in agriculture. The PSTA interventions and objectives are aligned to meet the EDPRS’s focus to “raise agricultural productivity and improve food security”. The PSTA aims to “rapidly increase agricultural output and incomes under sustainable production systems for all groups of farmers and to ensure food security for all the population” and “to increase output of all types of agricultural products with emphasis on export products, which have high potential and create large amounts of rural employment”. It sets out to: energize activities to improve the

production and productivity of rice crop through production intensification, promote the use of farm mechanization in appropriate forms, promote development of agro-processing industries, enhance agricultural technology and develop road infrastructure. PSTA has four primary programs including; intensification and development of sustainable production systems, support to the professionalization of producers, promotion of commodity chains and agribusiness development as well as institutional development. PSTA's implementation effectiveness is measured on seven indicators: production of key food security crops, mineral fertilizer used, area of marshland developed for agriculture, proportion of arable land sustainably managed against soil erosion, percentage of livestock under intensive system, ratio of farm households to extension agent, value of agricultural exports.

Strategies are aligned in the PSTA to achieve the set objectives. These include: raising the total area under rice cultivation (to 16,442 hectares) by developing marshlands; subsidizing fertilizer, seed and water; offering training and access to finance; renting or selling mechanization services to farmers; developing an efficient private sector; assigning a greater role in policy implementation to markets; and increasing public investments in construction and rehabilitation of feeder roads (MINAGRI, 2009). These objectives and strategies create a framework under which agricultural development policies and programs sets out to achieve their goals.

### ***The PSTA-II and MDGs:***

The Millennium Development Goals (MDGs) are global development aspirations that are set to guide a nation's development aspirations, interventions and strategies. The MDGs respond to the need to address the world's development challenges including poverty, hunger, and diseases among others. Policy initiatives in the agricultural sector could bear a direct link to MDG 1's three specific targets: "halve between 1990 and 2015 the proportion of people whose income is less than \$ 1 a day, achieve full and productive employment and decent work for all including women and young people and halve, between 1990 and 2015, the proportion of people who suffer from hunger"

The PSTA is well aligned with the MDGs specifically MDG 1. The PSTA-II transformation from subsistence to commercial agriculture is Rwanda's agricultural development policy agenda, through which economic development and poverty reduction can be achieved. The implication is that national pursuit of poverty reduction is a commitment to achieve MDG 1. The strategic objectives to achieve agricultural transformation focus on interventions to increase agricultural production and productivity looking forward to enhance self-sufficiency. These interventions directly translate into efforts to increase food security and reduce hunger, a key component in MDG 1.

### **2.3.4 The 2010 Development Driven Trade Policy Framework**

The 2010 *Development Driven Trade Policy Framework* prepared by the United Nations Conference on Trade and Development and the Ministry of Trade and Industry (UNCTD 2010) argues that the trade policy should be development-driven and not demand-led. It directs that

investment, including foreign direct investments, should enable the diversification of exports and markets, build local processing industries that add value to exports especially in agriculture but also in manufacturing and services. Also, investment should provide opportunities for employment in rural areas. It directs that tax reductions/exemptions, in terms of tariffs, should promote the inflow of industrial inputs and that consideration should be given to more strategically located export processing zones with more effective incentives provided. This call for investment focus on market diversification and value addition for exports in sectors including agriculture could be perceived as an incentive to increase production and promote commercialization, a focus of the EDPRS.

## **2 Policies and Programs Relevant to Agricultural Transformation**

In this section we present the most recent agricultural and related policies and programs that guide agricultural sector strategies and consequently program interventions by the private and public sectors, working towards contributing to the overall national agricultural development (PSTA) and economic development (EDPRS) agenda. The agricultural and related policies are identified from our desk reviews of key documents including sector strategic plans, sector annual reports, and program plans and implementation progress reviews. Most of these documents are accessible from websites of relevant ministries and private development partners. The presentation in this section includes: *the National Rice Policy, Tea and Coffee Strategy for Rwanda, the National Decentralization Policy, the Decentralization Implementation Programme, the National Agricultural Extension Services Strategy, the 2005 Land Policy and Gender Equity Laws*. Under each, we give a brief highlight focusing on the policy description and rationale, underlying objectives and focus areas. We try as much as possible to identify how *the Decentralization Implementation Program, the 2005 Land Policy and Gender Equity Laws* complements the National Agricultural Policy. We critically analyze these policies and present our view on their effectiveness in relation to the agricultural and economic development agenda.

### **3.1 The National Rice Policy (NRP)**

Under the National Rice Policy, Rwanda is seeking to attain self-sufficiency and competitiveness in rice production in the next 10 years. The NRP sets out interventions aimed at enhancing the productivity levels and raising the standards of post-harvest processing of rice in a bid to improve volume (quantity) and value (quality) of rice looking forward to create self-sufficiency in the domestic rice market. In other words, the NRP focuses on the need to address the challenge of rice shortage in the domestic market. The government of Rwanda had earlier (in 2002) identified rice as a priority crop. However, due to the rapidly increasing population, its consumption continued to increase at a much higher rate than production which led to persistent rice shortage in the domestic markets. The NRP is streamlined with the PSTA objectives. PSTA-II seeks to energize activities to improve the production and productivity of rice crop. Under program 1, the plan focuses on rice production intensification to improve the efficiency of use of inputs such as seeds, fertilizers, soil and water. Under sub-program 1.3, the plan intends to develop marshlands and raise the total area under rice cultivation (MINAGRI, 2010). We, however, recognize the National Decentralization Policy (NDP), the Decentralization Implementation Program (DIP) and the National Land Policy (NLP) are policies that have greater impact on overall agricultural transformation.

### **3.2 Tea Strategy for Rwanda (2009-2012)**

Tea has historically been one of Rwanda's export focuses. Although Rwanda is diversifying, tea will continue to be an important element in Rwanda's economy. The government factors the increased revenues expected from Rwanda's expanding tea industry into its overall plan under Vision 2020 to increase per capita GDP from the \$250 in 2000 to \$900 in 2020. The government's strategy regarding tea is two-fold: increase production and improve quality.

To increase production, the strategy is to expand and consolidate land dedicated to farming tea. The target is for each tea farmer to farm 0.5 ha of land. Currently, tea farmers are cultivating on plots that average .25 ha in area. There will be a census conducted of these farmers to establish baseline data in order to monitor progress and track implementation.

The government will also implement a more strategic use of fertilizers. Currently, generic fertilizers are being applied. By simply continuing the use of generic fertilizers, yields will improve; however, the government advocates soil testing and using fertilizers mixed specifically for the soils in different regions to further increase yields. The Rwandan Tea Authority is currently establishing a laboratory to have the country's soils tested so they can move forward with fertilizer optimization.

There is also the dual issue of low capacity of tea processing factories and poor pruning and plucking practices. These are both issues of efficiency and can be addressed by reducing waste within the system and will lead to gains without directly affecting crop yields. There are some factories that either have to work at over-capacity or simply refuse crops because of a lack of capacity. This reduces both quality and quantity of tea production. Reinvestment will be made in factories to increase productive capacity. Pruning and plucking can also be improved to increase yields. There will be increased training on proper techniques to increase efficiency in both caring for crops and harvesting them.

The strategy also recommends the diversification and branding of its teas. Currently, the world black tea market is saturated, pushing down prices. Rwanda will diversify into different varieties of teas and premium products. The government is also moving toward a Rwandan brand to signal quality and to encourage single origin sales.

To achieve these goals and make these improvements, the government is focusing investment in four broad areas: production, institutional support, processing and marketing. The Rwanda Tea Authority will be instrumental in overseeing and implementing this strategy.

### **3.3 Coffee Strategy for Rwanda (2009-2012)**

Coffee is one of Rwanda's most important export sectors and is relied on as the most important cash crop of Rwanda's nearly half million coffee growers. Over the last decade, the industry has been steadily growing; however, it is falling short of targets set for itself in 2002. The primary constraints are: insufficient production of coffee cherries, high operating costs, weak management skills, slow implementation of value-adding processes, and lack of data for monitoring and evaluating progress.

The National Coffee Strategy addresses these constraints with the following programs:

- improving the use of good farming practices and integrated pest management systems through focused agronomist support;



- providing a voluntary turnaround support program for Coffee Washing Stations that have the potential to become profitable;
- improving sales and distribution mechanisms through capacity building of private exporters;
- implementing a census and Geographic Information System study of all coffee producing regions;
- implementing value addition activities including Toll Roasting in China, Toll Roasting in Middle East, and a partnership with the distributor Marks & Spencers.

Rwanda's targets are to move from production of 19,900 tonnes (average from 2005-2007) to 33,000 tonnes during this strategy cycle with an estimated revenue of USD 115 million. This is a comprehensive strategy with OCIR-Café leading the coordination efforts.

### **3.4 The National Decentralization Policy (NDP)**

Policy formulation and implementation recognizes the local governance structures. The plan, alignment and effectiveness of the structures can influence policy effectiveness or trigger amendment and even dissolution of some policies. The existence, alignment and effectiveness of governance structures can favour, promote or discourage agricultural programs implementation. Since 2000 the government of Rwanda has pursued the National Decentralization Policy (NDP). The National Decentralization Policy is based on the government's commitment to politically, economically, socially and technically empower the local population to fight poverty (MINLOC, 2004).

The NDP is an umbrella of the Decentralization Implementation Program (DIP) and the Agricultural Extension Strategy (NAES) under which agricultural extension services are delivered to farmers in Rwanda. Before decentralization, the Ministry for Agriculture (MINAGRI) was directly responsible for delivering extension services to farmers through agricultural extension workers at the sector (Monagris), district and provincial level. These workers were directly accountable to the Ministry. Following the decentralization and administrative reform of 2004-2005 (the new DIP), delivery of extension services was put under direct responsibility of the decentralized entities. The reporting system is from sector to district, from district to province and from province to the Ministry of Local Government. In the new context of decentralized extension, the main functions of the Ministry for Agriculture and Animal Resources (MINAGRI) are as follows: (i) coordination and planning of agricultural development programs, (ii) agricultural sector information function, (iii) monitoring and evaluation function, (iv) regulation and control function, (v) resources mobilization function. The MINAGRI receives information from districts to be able to properly plan the development of the agricultural sector, while districts get support from MINAGRI to ensure coherence and effectiveness in formulating and implementing policies and agricultural development programs.

This coordination is emphasized in the new DIP through its focus on building capacity in local governments, enhancing stakeholders' coordination and harmonization of interventions.

### **3.5 The Decentralization Improvement Program (2000-2003, 2004-2008)**

In a bid to improve governance in local governments, streamlined in the EDPRS and Vision 2020, the Ministry of Local Government has pursued a three-year Decentralization Implementation Programme (DIP) since 2003. DIP's appraisal in 2003 revealed mixed progress. A number of laws, regulations and policy guidelines relating to the establishment and functioning of local administrative units had been established but their implementation remained a big challenges. A community development policy and a national program for strengthening good governance for poverty reduction had been put in place. Though elected at all levels, leaders had no appreciation of the principles and values of decentralization. The gender policy and legal framework established to guarantee one-third of elected local government positions to women in a bid to increase female participation in decision-making and economic activities turned out to be ineffective given women's limited technical capacity and competencies. In this respect, a bid to address gender issues remained just on paper. In addition, decentralized units lacked adequate utilities and economic infrastructure, funds were unpredictable and institutions were not well coordinated. Nevertheless, the Government of Rwanda remained committed to further efforts to implement and entrench decentralization by addressing the challenges. The DIP was revised and the 2004-2008 DIP initiated with a theme "Poverty reduction and empowerment through entrenchment of democratic decentralization" (Rwanda final report VNG International, Sep. 2003).

The new DIP is a USD 174,563,530 program (2004-2008) being implemented under the Ministry of Local Government in partnership with relevant government ministries, international donor agencies, private sector and the local community. The new DIP remains committed to improve governance in local governments. It focuses on: building capacity in local government, enhancing stakeholders' coordination, harmonization of interventions, institutionalization and development of the M&E system, improving service delivery to people, enhancing beneficiaries' participatory and inclusive in local government planning, and increasing local governments' capacities for gender involvement among others. Successful implementation of the new DIP could create a favorable environment for effective implementation of agricultural development programs. More specifically, the DIP provides a positive synergy to agricultural programs aiming to contribute to the PSTA objectives to "improve the production and productivity of rice crop through production intensification, promote the use of farm mechanization in appropriate forms, promote development of agro-processing industries, enhance agricultural technology and develop road infrastructures in a bid to transform its agriculture".

### **3.6 The National Land Policy (NLP) and Gender Equality Laws**

Rwanda's Land Policy has undergone through transition since the colonial period. During the colonial period, the Belgian colonial administration established the decree of 1885 concerning land. Only the colonial public officer could guarantee the right to occupy land taken from



indigenous Rwandans, a system that dispossessed the natives from their land. The system protected and benefited mainly the colonists and other foreigners. The 1926 dissolution of chiefdom reforms did away with chiefs owning vast tracts of land and it also imposed the legal structure to protect the interests of foreigners in access and ownership of land. Nevertheless, the land system continued to borrow from traditional principles. The colonial government also introduced the written law into the “*Codes and Laws of Rwanda*”. After independence, the government of the time recognized the very important role played by the commune in the administration of land. The commune through the “communal law” of 23/01/1963 held responsibility over conservation of rights concerning registered land (Rurangwa, 2002).

As it recovered from the genocide and massacres of 1994, the government of Rwanda, under the MINITERE, remains committed to clarify the land tenure system and have an appropriate land policy and land law. This commitment is reflected in the Rwanda’s 2005 *Land Policy*. The bottom-line of the NLP was government’s need to address obstacles among including: strong pressure on the already spatially limited land resources by a rapidly growing population; a land tenure system dominated by customary law which favours land fragmentation; considerable number of landless individuals; scattered farming plots that were difficult to manage; lack of a reliable land registration system to guarantee land security; weak and inadequate existing methods of land-use planning and land improvement and unplanned use of marshlands in spite of their good agricultural soils.

The NLP seeks to “establish a land tenure system that guarantees tenure security for all Rwandans and give guidance to the necessary land reforms with a view to good management and rational use of national land resources”. The policy statements in the NLP imply governments’ commitment to enhance security in land ownership, transparency and encourage land consolidation looking forward to enhance sustainable exploitation of the land resource to achieve economic development. Critical policy statements envisage formalization of the land tenure system, securing land by registration, encouraging full ownership rights, putting in place legal provisions accepted by regulatory institutions, land tenure guided by the provisions of the written law, dissolution of the customary law or in any case customary land rights and land use rights legally granted by the competent authority, guaranteeing citizens a right to know modes of land access and dissolving acquisition and ownership rights to citizens while discouraging excessive land ownership by individuals (setting possible minimum and maximum sizes of land one can acquire).

However, the land tenure system in Rwanda continues operating in a dual legal system. The customary law continues to exist alongside the formal written laws as was observed by Rurangwa (2004). Customary law governs almost all the rural land and promotes the excessive parceling out of plots through the successive father-to-son inheritance system. The written law mostly governs land in urban districts and some rural lands managed by churches and other natural and legal persons. This law confers several land tenure rights to individuals such as land tenancy, long-term lease and title deeds (particularly in towns). Duality between the very restrictive written law and the widely practiced customary law continue giving rise to insecurity

and instability of land tenure. In the face of this dualism, it is doubtful whether the NLP can achieve its ambitions of addressing critical challenges including land fragmentation, land tenure insecurity, land conflicts among others, which tend to constrain investment and employment in agricultural and related activities and more specifically could hinder enhancement of agricultural commercialization under the PSTA.

Aspects of the current land reform measures which focus on enhancing security of the land tenure system and consolidating land holdings are quite relevant to agricultural commercialization and production intensification which are key components of the PSTA-II. However, the extent to which the tenure reforms can benefit women, who form the largest proportion of the farming population, is doubtful. While women are empowered with access and ownership of land on paper with the various land policies and land laws, customary law continues to preclude women from owning land. Compounding this issue, women, especially women in rural areas, remain unaware of the reforms and their legal rights. Women also remain inadequately capacitated technically and financially to advocate for their legal land rights. This situation continues rendering women disadvantaged with regard to “secure” ownership of land and thus constrains them from engaging in large-scale and market-oriented agricultural production. All in all, Rwanda’s land tenure system requires more comprehensive reforms to harmonize the conflicting legal rights and objectives in the National Land Policy with the customary law.

## **4 Strategies to Agricultural Transformation (Since 2010)**

This section presents the most recent strategies to achieve agricultural transformation as set out in the PSTA II. The policies guide agricultural development interventions by the public and private sector at nation, provincial, district down to the lowest administrative levels. Most of these documents are accessible from websites of relevant ministries and private development partners. They include; *the National Agricultural Extension Services Strategy*, *the Agricultural Mechanization Strategy–AMS (2010-2015)*, *the National Post-Harvest Staple Crop Strategy (2011-201)* and *the Agriculture Gender Strategy (2010)*. A brief discussion of these strategies is given focusing on their respective vision, strategic objectives and axes of intervention.

### **4.1 The National Agricultural Extension Strategy (NAES)**

Rwanda’s NAES is envisioned to “ensure ideal conditions for the dissemination and exchange of information between producers, farmer organizations and other partners in order to transform and modernize the agricultural sector so that it can contribute effectively to achieve the millennium development goals, Vision 2020, and the Economic Development and Poverty Reduction Strategy objectives. Fitting in the objectives of Vision 2020, EDPRS and PSTA, the extension strategy comes under PSTA-II “Support to the Professionalization of Producers” is well aligned with Rwanda’s development objectives as well. The NAES sets out to: promote farmer organizations and encourage their participation in agricultural sector stakeholders “concertation” platforms, strengthen technical capacities of producers, improve services delivery to producers in the perspective of gradual disengagement of the public sector from extension service delivery and promote a system of participatory research adapted to the needs of producers. For effective delivery of extension services in agricultural programs, the National Agricultural Extension Strategy adopts the following principles: participatory extension, multi-approach and multi method extension, demand driven and market oriented extension, process and results oriented extension, multi-actor extension and building on already existing initiatives. The NAES also sets out strategic axes to achieve its set objectives. In its strategic axes, NAEP recognizes the need to promote: partnership between public sector, private sector, local and international NGOs, the role of farmer organization, experimentation by priority commodities, experimentation in farmer field schools, networks of farmers, voluntary farmer’s extension services providers and agricultural competitions.

### **4.2 The Agricultural Mechanization Strategy–AMS (2010-2015)**

The AMS (MINAGRI, 2010) is Rwanda’s road map to creating conditions that are conducive to the adoption of appropriate farm tools, implements and machinery in the most effective and efficient way. Agricultural mechanization refers to the use of tools, implements and machines for agricultural land development, crop production, harvesting, and preparation for storage, storage, and on-farm processing. The strategy responds to agricultural sector challenges such as over-reliance on less productive and less efficient human labour and seasonal labour and constraints

from the rapidly changing demographic trends such as urban migration, ageing rural population, ageing farmers, and the HIV/AIDS pandemic that add more concerns on labour availability. It seeks to enhance the adoption of mechanization looking forward to enhanced crop productivity, increasing the area being cultivated for food crops and consequently contribute to food security. It borrows from successful experiences from Asia, Latin America and in some African countries where labour productivity was greatly enhanced by using alternate farm powers such as motorized engines and draught animals.

The strategy focuses on mechanization in the commodity value chain thereby enhancing farm produce quality, value, marketability and consequently farm profitability. Enhanced processing will not only improve the agricultural commodity chains but also enhance rural employment opportunities and livelihoods in Rwanda. It aspires to increase the share of motor and animal power substantially by 2020 in a bid to contribute to increase in labour productivity and to modernize agricultural value chains as set out in the PSTA-II. Ultimately, this will contribute to the transformation of agriculture into a market-oriented sector as outlined in Vision 2020. The strategy envisages having 25 per cent of agricultural fields mechanized by 2015.

More specifically, the mechanization efforts aim to: raise the power inputs of farming activities thereby putting more land into production, decrease drudgery in field operations thereby enhancing quality of life of rural men and women, improve the timeliness and efficiency of field work, carry out tasks that are otherwise difficult to perform without mechanical means, advance the quality and value of agricultural produce and processed products of Rwanda, provide entrepreneurship opportunities and sustainable rural livelihoods and facilitate crop processing and thereby improve rural economic opportunities

In a bid to enhance adoption of mechanization technologies, the strategy recognizes the need to educate and train farmers on the various avenues of mechanization in post-harvest handling, storage, and primary and secondary agro processing enterprises. Secondly, it recognizes the need to develop technical skills among rural artisans, operators, mechanics, and service providers to develop locally adaptable mechanization technologies and widen the choice of mechanization options. Finally, it recognizes the need to help farmers' cooperatives in establishing business plans and enhance their financial integrity to foster their leverage to access credit to finance mechanization

The strategy is aligned in the Rwanda's development policy framework, particularly agricultural policy, and the international development context. The government seeks to transform farming into a productive, high value, market-oriented sector by modernizing 50 per cent of its agriculture by 2020 and thereby improving livelihoods of the rural population, achieve food security and increase exports of agricultural products as reflected in the millennium development goals (MDG) and New Partnership for Africa's Development (NEPAD). The NAP sets

modernization of agricultural production through development of animal traction farming and agricultural machineries suitable to the real conditions as one of the specific objectives. Under the sub-program 1.5.2, PSTA-II intends to inform farmers of appropriately scaled mechanization options and offer training and access to finance to local entrepreneurs who wish to acquire tractors and other machinery and rent the machinery or sell mechanization services to farmers. Finally, MDG 1 emphasizes that increase in food production through development and rehabilitation of irrigation facilities and post-harvest mechanization.

### **4.3 The National Post-Harvest Staple Crop Strategy (2011-2016)**

The National Post-Harvest Strategy (MINAGRI, 2011) is a policy framework to assist with strengthening the harvesting, post-harvest handling, trade, storage, and marketing within staple crop value chains; strengthening markets and linkages for farmers; and reducing post-harvest losses. The strategy addresses the challenges that accrued following successful implementation of the CIP. Basically, the CIP resulted in increased crop yields with unanticipated surpluses in key staple grains and cereals. The strategy therefore responds to the heavy post-harvest losses that accrue from the lack of capacity in post-harvest handling and storage. The strategy is MINAGRI's initiative through the Post-Harvest Task Force that was formed in 2009, essentially to maximize net profits for small-scale farmers and reduce food insecurity by strengthening staple crop value chains and reducing post-harvest losses. The 5-year action plan, approved in March 2011 by the Agriculture Sector Working Group, remains Rwanda's guiding strategy to address sector-wide post-harvest loss issues by several ministries and agencies. It recognizes the need to capture income potential from increased productivity and production competitiveness. It considers the comparative advantages of producing staple foods over producing other crops in Rwanda and identifies staple crops with a critical role to enhancing food security. Based on this, it recognizes the need to prioritize investment in market linkages and supply chain efficiency to enhance agricultural competitiveness and sustainable adoption of modern agricultural technologies particularly with regard to staple foods. The strategy focuses on post-harvest development and aims to strengthen food security among rural staple crop producers, improve consumer access to safe and affordable food, support the private sector to invest in strengthening the competitiveness of the staple crop and value supply chain, improve efficiency and decrease marketing costs along the staple crop value chain and enhance producers' access to and linkages with markets. The strategy has seven strategic axes of intervention:

- Making information available for public and private sector decision making by strengthening basic data systems and generating market intelligence by the private sector;
- Creating efficient and equitable transport systems across staple crop producing areas by investigating transport component of staple crop marketing costs, reducing road transport costs between production and secondary aggregation points in high potential areas and addressing prioritized 'soft' constraints;

- Reducing staple crop post-harvest losses at producer and first aggregator level by building RAB Post-Harvest Team capacity, identifying and prioritizing economically relevant post-harvest technology, disseminating, promoting the uptake of technology and reducing post-harvest losses;
- Strengthen private enterprise in staple crop value chains by empowering the private sector to support the delivery of staple foods to the market, transferring skills to all enterprises involved in moving staple grains into markets, sufficient storage available throughout the supply chain for harvested staple grains;
- Increase private sector post-harvest investment by enhancing private sector access to financial services;
- Enhance structured staple trade by expanding staple crop grades and standards, extending awareness of staple crop grades and standards and improve staple crop market trade infrastructure;
- Creating a transparent strategic grain reserve supporting food emergency needs.

#### **4.4 The Agriculture Gender Strategy (2010)**

The gender strategic goal is to ensure that agricultural output and incomes increase rapidly under sustainable production systems for all groups of farmers, and that food security ensured for all the population by 2012. The overall objective of the gender strategy is to contribute to poverty reduction and sustainable development through institutionalization of gender responsive programming (planning and budgeting), implementation, monitoring and reporting systems and improve gender equality in the agriculture sector. To improve gender equality in the agriculture sector and address the existing disparities, the agricultural gender strategy is oriented around five objectives:

- To institutionalize gender equality in the agriculture sector
- To develop capacities in the agriculture sector to enable gender sensitive programming
- To enhance the gender responsiveness in delivery of agricultural services including crop intensification, livestock, value chain development, access to commodity markets, access to extension services such as training and technologies
- To promote equal participation in decision making processes
- To develop and coordinate partnerships and collaborative mechanisms amongst government institutions, CSOs, private sector and development partners and integrate appropriate actions to respond to practical and strategic gender needs in the agriculture sector

The strategy is aligned with Rwanda's agricultural development strategic framework (PSTA II). The Ministry of Agriculture and Animal Resources envisions an agriculture sector that is

fundamentally transformed, with both men and women having equal access to and control of productive resources and opportunities, exercising their rights and potentials to sustain their livelihoods. MINAGRI pursues a mission to create a conducive environment for the transformation and commercialization of the agriculture sector, facilitating delivery of high quality services responding to the practical and strategic needs of both men and women farmers and ensuring that both benefit equally from the opportunities in the sector.

The Agriculture Gender Strategy responds to the gender mainstreaming challenges including: the missing gender equality and accountability with regard to agriculture in the national policy framework; the limited awareness and understanding of gender equality and equity related issues at national, provincial, district and local levels; and low representation of women in decision making processes at local levels. These challenges are responsible for the prevailing gender gaps in access to and adoption of input technologies, access to extension services, commercialization, participation and benefit from value chain of key export crops as well as gender gaps in institutional development. The problem that they are trying to address is the disparity of benefit between men and women from PSTA II's programs.



## **5 Agricultural Programs and Project Initiatives (Since 2008)**

In this section, we present a brief highlight of the most recent programs that work towards contributing to the PSTA and the EDPRS, the national economic and agricultural development agenda. Among these programs are: the Girinka program “One Cow per poor Family”, the Umutara Community Resource and Infrastructure Development Project (PDRCIU), the Purchase for Progress initiative (P4P), and the Millennium Village Project.

### **5.1 The Girinka program “One Cow per poor Family”**

The program is a presidential initiative under the Vision 2020, EDPRS. This program initiated in 2001 strives to enable every poor household to own and manage an improved dairy cow which would help the family to better their livelihood through increased milk and meat production and improve soil fertility using the available manure. The intervention is aligned with PSTA and EDPRS objectives since it focuses on increasing food production and food security.

### **5.2 The Umutara Community Resource and Infrastructure Development Project (PDRCIU)**

The PDRCIU project is funded by the International Federation of Agricultural Development (IFAD), an international agency currently in its second generation of implementing activities in Rwanda. IFAD has since 1981 financed 14 rural development programmes and projects in Rwanda for a total amount of US\$189.8 million. IFAD in Rwanda is currently pursuing a strategy Country Strategic Opportunities Programme (COSOP), which strives to address poverty by promoting equitable economic growth, modernize agriculture, encourage exports and promote employment. The strategy places particular emphasis on the agricultural sector and looks forward to strengthen synergies with other development partners, including those in the framework of the One UN Pilot Initiative. There is no doubt that IFAD is playing a big role in contributing efforts towards achievement of Rwanda’s development aspirations “Vision 2020, EDPRS, and PSTA respectively”.

### **5.3 The Purchase for Progress initiative (P4P)**

The initiative by World Food Program (WFP) in Rwanda provides market for farm produce. In 2011, WFP purchased food worth approximately 350 million Rwandan Francs (almost US\$600,000) from the Eastern and Southern provinces. The initiative is an opportunity to encourage farmers to increase production, a vital step toward achieving sustainable food security in Rwanda. In 2011, 3,300 metric tons of maize grain and beans had been purchased from approximately 14,000 small farmers in ten co-operatives and two farmers' unions

### **5.4 The Millennium Village Project**

Work with the farming community in Bugesera district to improve access to good quality seed, diversify to high value and drought tolerant crops and to venture into off-farm income generating opportunities. The project also focuses on business development. The project objectives contribute to the objectives and purpose of the PSTA-II.



## 6 Key Funding Partners in Agricultural Programs

In pursuit of PSTA-II, the Government of Rwanda, under the Ministry of Agriculture and Animal Resources (MINAGRI), attracts international co-operations. Among the partners include the Belgian Government, World Bank, FAO, IFAD, BTC, JICA, DFID, EU, WFP, UNDP, and CIDA among others. The partners are mainly international development agencies who initiate and fund projects that contribute directly and indirectly to agricultural productivity and growth. We give a highlight on some most recently initiated projects that are contributing to the PSTA.

**6.1 The UN** *"Promoting international co-operation has been a key component in the EDPRS. Donor confidence is high (approximately \$67 per capita) offering an opportunity for the international system to strengthen its support to the government under the MDG Africa Steering and Working Group processes. Investment opportunities exist in the areas of modern inputs for increasing agricultural production; small scale water management, access to energy and roads, improved environmental sustainability, and scaling up basic health care, including family planning services."*

Since 2008 are reaffirmed Rwanda progress circumstances. The UN has also initiated the Millennium Village Project. Among the focus areas of this project are increasing output of crops and creation of new markets and businesses. UNDP is also working to ensure that the additional funds mobilized to achieve the MDGs in Rwanda can be put to optimal use. A project to identify absorption capacity bottlenecks was initiated in collaboration with HIDA (the Human Resources and Institutional Capacity Development Agency working under Rwanda's Ministry for Public Services and Labour).

### 6.2 Canadian International Development Agency (CIDA)

CIDA is committed to help Rwanda increase food security by improving agricultural productivity. It focuses on support to development of rural infrastructure and improving the management of land and water resources. CIDA continues to work closely with the Rwandan Ministry of Agriculture and other partners to implement the country's national agriculture strategy which is to shift from subsistence agriculture to market-based activities. CIDA project assists in the formation of farmer linkage to markets, countering soil erosion enhance agricultural production and productivity through irrigation. Overall, CIDA strives to increase agricultural production and incomes for poor rural farmers

### 6.3 Food and Agricultural Organization (FAO)

FAO is doing technical interventions in the field intended to benefit Rwanda's technical expertise accumulated in various fields related to agriculture, food security and natural resource management. In addition, it is providing support to agribusiness and food security outside the United Nations (UN) framework

### 6.4 Belgium Technical Cooperation:

BTC is collaborating with MINAGRI in the seed sector and agricultural advisory services. A five-year, 18.6 million Euro project was launched in July 2011 and JICA is implementing a 3 year project (2010-2013) for increasing crop production with quality extension services in the Eastern Province of Rwanda



## 7 Institutional Framework

### 7.1 The Ministry of Agriculture and Animal Resources (MINAGRI)

MINAGRI is the lead ministry for overseeing the agriculture sector. It has one minister, one minister of state and the permanent secretary. Working under the permanent secretary there are two directorates each headed by the director general. The ministry's goal is to modernize agriculture and livestock to achieve food security. The ministry sets out its plan integrating four programs: intensification and development of sustainable production system, support to producer professionalization, promotion of product chains and agro-industry and institutional development. Currently, the Ministry's strategic interventions are aligned within the framework of the PSTA. The MINAGRI is responsible for development of strategies and national programs, planning and budget preparation and coordinating relationships with international partners.

### 7.2 MINAGRI and Partner Institutions

MINAGRI works closely with other government institutions (national boards and ministries), NGOs and development partners. Key among these institutions includes the Rwanda Agricultural Board (RAB), the National Agricultural Export Development Board (NAEB), Ministry of Finance and Economic Planning (MINECOFIN), Ministry of Justice (MINIJUST) and the Institute of Policy Analysis and Research (IPAR). At district, cell and village levels, quite a number of farmer organizations exist. Responsibilities of these partners in agriculture concerns are given in Table 1.

Table 1: Responsibilities of MINAGRI Partners in the Agricultural Development Agenda

Institution	Responsibilities
RAB	Implementing the national policy of agriculture and animal husbandry and contributing to identification of policy in agriculture, animal husbandry, agricultural and animal husbandry research and technology.
NAEB	Participate in elaboration of policies and strategies for developing exports of agricultural and livestock products and implement policies and strategies for promoting and developing agricultural and livestock products for export among other roles.
MINALOC	Ensure good governance in all local administration levels including agricultural governance at local level, playing an intermediary role in channelling public funds for development projects, overseeing various local communities agricultural development related programmes.
MINECOFIN	Coordinates the national budgeting, planning and financing framework, including agricultural services sector, resource mobilization and coordination of development partners, overseeing allocation of budgets to different ministries, the Ministry of Agriculture and Animal Resources inclusive.

MINIJUST	Develops and advises on formulation of laws and regulations, oversees the formulation and enactment of various laws and regulations including those that are pertinent to the agricultural sector.
Land National Centre	Land administration and management both at the national and decentralized level and support the local level in the sector of land.
Districts	The basic political administrative units. Through the Department of Agriculture, oversees monitors and provides technical backstopping to agricultural production activities at district and cell levels, coordinate the public and private sector partnership in agricultural programs mainly for quality control purposes.
NGOs and International Development Agencies	Finance agricultural development programs, provide agricultural extension facilities, especially to the resource poor farmers, provide technical support and advice in policy making for agricultural development.

*Source: Author compiled from different documents relating to agricultural sector, 2011*

## **8 Effectiveness of the Current Agricultural Policies: Impact on Agricultural Growth and Poverty Reduction**

In this section we present a highlight on the status of the economy as of 2006, upon which the EDPRS was built. We evaluate Rwanda's progress towards meeting the EDPRS' (2008-2011) aspirations with regard to agricultural productivity, growth and poverty reduction and highlight the current status of the agricultural contribution to economic growth relative to other sectors. Finally, we acknowledge that the government of Rwanda pursues a development strategy led by the agricultural sector. We consider the MINAGRI's agricultural growth and poverty reduction strategy (PSTA II) and draw an insight into the extent to which the poor can benefit from PSTA II.

### ***Evaluation of the Previous (2000-2005) National Agricultural Policy Agenda***

In the period 2000-2005, the government of Rwanda implemented the Poverty Reduction Strategy (PRS) to manage the transition period of rehabilitation and reconstruction following the war and genocide. The strategy registered progress but with insignificant contribution to poverty reduction. This was attributed to the structural transitional of the economy, by this we mean the service sector taking a leading role in economic development relative to the agricultural sector. In this period, GDP increased at annual rate of 6.4 per cent while poverty levels stood at 56.9 per cent. Poverty remained high (91%) in farming households with land shortage a key challenge to agricultural production. The proportion of land protected against soil erosion was 40 per cent while 15,000 hectares were under irrigation (EICV2). Average fertilizer use was 11 kg per hectare. In the study on economic transformation of Rwanda, Malunda (2010) observed a steady increase in both agricultural labour and land productivity in the period 2000 to 2008. In the same period, there was a decrease in employment in the agriculture sector and an increase in employment in the manufacturing sector. Despite its declining contribution to GDP, the agricultural sector by 2006 remained the most dominant to Rwanda's economy, employing 80 per cent of the population, contributing 39 per cent to GDP and 63 per cent to export revenues (MINECOFIN 2012).

### ***Evaluation of the Current (2008-todate) National Agricultural Policy Agenda***

In the period 2008-2012, the EDPRS, a strategy that focused on economic development and poverty reduction was implemented. The EDPRS aspired to reduce poverty levels from 56.9 per cent to 46 per cent and achieve 8.1 per cent real GDP growth rate (EICV 3). More pertinent to agricultural policy is EDPRS's priority of raising agricultural productivity, a strategic response to the challenge of land shortage that had remained a key challenge to growth of the agricultural sector by the year 2006. EDPRS aimed to protect all land against soil erosion, increase the area under irrigation to 24,000 hectares and increase usage of fertilizers to 40 kg per hectare (MINECOFIN, 2012).

The EDPRS progress evaluation of the period 2008-2011 indicated that the overall objective was surpassed one year ahead of forecasts made at the time of program implementation. With regard

to raising agricultural productivity and ensuring food security, remarkable progress was made. The proportion of land protected against soil erosion increased by 50.2 per cent (40 to 87.3%), area under irrigation rose by 15.8 per cent (15,000 to 17,363 hectares), while fertilizer usage more than doubled (11 to 30 kg per hectare) all in the period 2008-2012. Consistently, the outputs translated into increased agricultural production, with output of key food security crops having increased by 86.2 per cent (1,611 to 3,000 metric tons). Overall, the economy grew at an annual rate of 8.2 per cent while poverty levels were reduced by 12 per cent (57% in 2006 to 44.9% to date). However, the farm sector, as in the previous period under the PRS, remains outweighed by the non-farm sector in terms of contribution to economic growth (EICV III & MINECOFIN, 2012). All in all, there is no doubt that these achievements push Rwanda a big step towards achieving Vision 2020 and eradicating poverty. Table 2 presents a summary of achievements with regard to raising agricultural productivity and ensuring food security as well as enhancing growth and reducing poverty.

Table 2: EDPRS's achievements with regard to raising agricultural productivity, ensuring food security, growth and poverty reduction

Priority area	Indicator	Baseline (2006)	Target (2012/13)	Actual (2010/11)
Growth and Poverty Reduction	Real GDP growth (% annual)	6.5	8.1	8.2 (2008-2011)
	National investment (% of GDP)	16.3	24.4	21.9
	% of population living in poverty	57	46	44.9
	% of population living in extreme poverty	37	24	24.1
Agric. productivity & food security	% of agricultural land protected against soil erosion	40	100	87.3
	Area under irrigation (hectares)	15,000	24,000	17,363
	Use of mineral fertilizers (kg per hectare)	11	40	30

Source: Ministry of Finance and Economic Planning: EDPRS- Lessons Learned 2008-2011

Through promotion of crop specialization, the agricultural policy intends to address the constraint of small plot sizes in a bid to increase the potential for the production of crops for the market. Crop specialization requires that farmers combine their small plots with those of their

neighbours and grow specified commercial crops. Programs are aligned to support farmers to improve the productivity of their land by using improved seed and fertilizers. Indeed, there exists much more evidence with regard to progress in adoption of land consolidation, crop intensification than the output/outcome of these interventions. Noticeably also, agricultural mechanization remains low as the vast majority of households continue to cultivate their land using the simplest means possible (NISR 2012).

*By 2010/1, 22 per cent of households had had at least one plot of land affected by the land consolidation policy and a similar proportion (21.1%) had added a crop due to the regionalisation policy, while 7.1 per cent had removed the crop as a result of the policy. The use of agricultural inputs also increased between 2005/06 and 2010/11. For example, between the period 2005/06 and 2010/11, fertilizer use among households increased by 60 per cent (from 18% to 28.9%). Consequently, though to a less extent, participation in agro-processing technologies increased by 7.2 per cent (from 55% in 2005/6 to 59% in 2010/11), while the proportion of farm produce sold (commercialisation) increased by 10.5 per cent (19.1% to 21.1%) during the same period (2010/11 EICV). Indeed the EICV 2010/11 reported a remarkable increase in economic growth and reduction in poverty in the 2011 Fiscal Year and further attributed the progress to increased agricultural productivity, labour productivity in the farm sector and increased non-farm employment. These positive results in one way or the other can significantly be attributed to the existing agricultural policy environment among other factors.*

It is important to note that economic and agricultural transformation under the EDPRS and PSTA policy framework is associated with positive trade-off to the poor contrary to the argument in the previous literature. In a study on the economic performance of the Rwanda economy with respect to projected targets of the PRSP (2002-2005), Ansom (2005) observed that the impact of economic growth on poverty reduction in Rwanda was relatively weak. Growth elasticity of poverty was estimated at -0.40 for the 2001-2006 period while the pro-poor character of Rwandan economic growth remained exceptionally low, despite the implementation of PRSP policies. Later on, Malunda (2010) argued that the EDPRS's focus on commercialization associated with a shift in labour to non-farm employment could induce economic development in the medium-term at the expense of staple crops for local consumption. Against this literature, current evidence (between the years 2008 and 2012) suggests that the economy under EDPRS can grow with significant impact on poverty reduction and increase in food security. The EDPRS and PSTA could be regarded as typical pro-poor policies recommended by the International Food Policy Research Institute (IFPRI). From evidence on Rwanda's policy scenario modelling, IFPRI (2008) suggested a need to adopt a pro-poor agricultural policy that increases production of staples for consumption with a more modest growth of export crops

It is equally important to note that though the 2010 Development-driven Trade Policy Framework is an incentive to increase production and promote commercialization, it remains to be seen whether the policy's call for employment in rural areas addresses the rural poor's food security and poverty challenges given government's bid to consolidate land and promote commercialization, the limited financial access of the poor and gender discrimination against women. Women, especially in rural areas, still find it hard to engage in productive employment given their low likelihood to own land and limited access to capital to finance large-scale commercial agriculture. Consequently, the trade policy's capacity to address livelihood challenges of the rural poor and especially women can be uncertain.

Finally, there are some communities resistant to consolidation and a 2010 evaluation concluded that mechanized farming may not be feasible in hilly and mountainous areas. Also, it is thought that most of the benefits from mono-cropping would go to better off farmers who can devote more of their land to cash crops and smaller farmers who abandon their traditional methods of managing risk may become more vulnerable to food insecurity and the impact of climate variation (USAID).



## 9 Salient Issue – Current Agricultural Policy and Institutional Framework

The agricultural sector remains the most dominant to Rwanda's economy though employment in the sector had declined slightly to 85 per cent in 2010/11 compared to 89 per cent in 2005/6. The majority of people are employed as waged, non-farm work and independent self-employment on their farms. Agricultural production has increased at a much faster rate primarily due to increased productivity (in terms of real value of output per unit area). The share of marketed output (livestock as well as crop activities) increased strongly between from 22 per cent to 27 per cent. Commercialization has also increased with the average proportion of output sold having risen to 25 per cent by 2010/11 from 18 per cent by 2005/6. However, similarly to 2005/2006, the agricultural sector currently (2010/11) remains below the non-farm sector in terms of contributing to poverty reduction (EICV3).

The government of Rwanda acknowledges the role of the agricultural sector to the economy. The current NAP framework, specifically the PSTA, reflects governments' recognition of the agriculture sector's leading role in economic development and poverty reduction. This could mainly be attributed to its higher multiplier effect and employment than other sectors. In the period 2008-2011, the budget of MINAGRI increased substantially from FRW 26 to 68 billion representing an increase in the share of the national budget from 3 to 7 per cent. This is fairly close to the 10 per cent budget allocation recommended by CAADP during the Maputo Declaration of which Rwanda is a member. Under the current policy framework, Rwanda strives to achieve 8-9% growth in the agricultural sector for the period 2009-2012 with the goal of halving extreme poverty by 2015 (MINECOFIN, 2007).

More specifically, the government of Rwanda recognizes the role of commercialization in a bid for agricultural transformation and focuses on enhancing agricultural self-sufficiency through agricultural production intensification strategies. This is due to the increasing population coupled with land and food shortage. It recognizes rice as a key cash and food crop and pursues the National Rice Policy with a goal of enhancing self-sufficiency of the rice market.

The NAP sets modernization of agricultural production through development of animal traction farming and agricultural machineries suitable to the real conditions as one of the specific objectives. NAP also envisages development of motorization adapted to steep gradient of the country, and post-harvest technologies. Experience in other African (such as Ethiopia, Nigeria, South Africa, and Zambia) and other developing economies of Asia and Latin America shows that mechanization has transformed agriculture in recent years into a modern, progressive commercial activity. Agricultural mechanization in these countries has enabled farmers to intensify production and improve their quality of life as well as contributing to rural prosperity. Much the same could happen in Rwanda if farmers and other end-users in agriculture are provided with suitable options of mechanization.

The government also recognizes the need for ideal conditions for the dissemination and exchange of information between producers, farmer organizations and other different partners. In

response, it has put in place the NAES. These agricultural policies guide interventions in the agriculture sector but work alongside other existing policies outside the sector. The *2000 NDP*, *DIP (2000-2003, 2004-2008)*, *2005 Land policy*, and the *2010 Trade Policy Framework* are among the key policies in place that complement the NAP. The government, under the NDP and the DIP remains committed to empower the people socially, economically and technically and improve its local governance looking forward to empower the community to fight poverty. The government also recognizes the role of export and market diversification, it pursues the “*2010 development-driven trade policy*” with agricultural value addition among the key elements of the intervention. These policy and program interventions are consisted with Rwanda’s EDPRS - Vision 2020 aspirations.

The development-driven trade policy diversification of exports and markets focuses on building local processing industries that add value to exports, especially in agriculture. A call for investment focused on market diversification and value addition for exports in sectors including agriculture is an incentive to increase production and promote commercialization, a focus of the EDPRS. In addition, evidence exists that agricultural transformation could increase economic growth and development in the medium-term but at the expense of staple crops for local consumption. The current land policy and laws focus on enhancing security of the land tenure system and consolidating land holdings which is relevant to agricultural commercialization and production intensification which are key component of the PSTA-II. However, the extent to which they can benefit women is doubtful. Women continue to be disadvantaged with regard to land ownership security as the law meant to empower them with land ownership rights continue to be suppressed by the traditional norms and customs that deprive them of land ownership rights.

Several donor-funded and government-financed agricultural development programs continue extending agricultural support services to the farming community. The current interventions under these projects are aligned well with PSTA. Among the interventions are agricultural and related programs: the Girinka program - one cow per poor family - by Rwandan Government, the Umutara Community Resource and Infrastructure Development Project-by IFAD, the Purchase for Progress- by WFP, the Millennium Village Project, among others. Other key donor agencies working with MINAGRI include FAO, World Bank, BTC, DFID, CIDA and UNDP.

All agricultural programs and policies have been institutionalized under the MINAGRI. MINAGRI is mandated to oversee development and implementation of all agricultural and related policies, programs and strategies. Working with MINAGRI are other government institutions (national boards and ministries), NGOs and development partners. Key among these include Rwanda Agricultural Board (RAB), the National Agricultural Export Development Board (NAEB), Ministry of Finance, Ministry of Finance and Economic Planning (MINECOFIN), Ministry of Justice (MINIJUST) and Institute of Policy Analysis and Research (IPAR).

However, it would be interesting to know Rwanda's progress in achieving MDGs especially MDGs for which the NAP bears a direct contribution. We first consider the 2000-2005 PRS period and the EDPRS period later. By 2006, Rwanda had made impressive efforts at achieving MDG 3 (promoting gender equality and empowering women), but was continuing to face critical challenges in pursuing MDG 1 (**poverty rates** had not fallen proportionately, declining only by 4 percentage points, from 60 per cent in 2000 to **56.9 per cent in 2006 despite high increase in income**). **We consider the fact that this was a period when general progress had been made towards improvement of the social service sector but with stagnation in the productive sector, agriculture inclusive. It is also worth noting that this was the period the NDP and DIP were facing implementation challenges.**

**Later in the period 2008-2011, the EDPRS and PSTA were implemented.** Several agricultural improvement programs and policies were aligned to contribute to improving agricultural production and productivity. The land tenure reforms were being implemented to enhance commercialization. The production intensification programs such as increasing use of fertilizers, expansion of area under irrigation and reclaiming marshland were being implemented under the PSTA-II. The NAES was also under implementation to enhance effectiveness of agricultural extension services delivery. The new DIP was being implemented with focus on addressing challenges encountered in DIP implementation looking forward to enhance its effectiveness and improve service delivery, inclusive of agricultural support services to the local community. Finally, several agricultural development programs were initiated in the period. Consequently, agricultural production increased, though its share of GDP decreased. More pertinent, a remarkable growth in the economy and reduction in poverty were realized. **Because of this, we can say that Rwanda's agricultural sector in the period 2008-2012 operated under an effective policy environment. More specifically, we could acknowledge existence of agricultural policies, non-agricultural policies, sector strategic plans and agricultural programs that offer a positive synergy to agricultural growth** (sector plans, policies and programs combinations that bear complementary relationships to contribute to agricultural growth)

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